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8 **IN THE UNITED STATES BANKRUPTCY COURT**
9 **THE DISTRICT OF ARIZONA**

10 In re:
11 SEDONA DEVELOPMENT PARTNERS, LLC;
12 THE CLUB AT SEVEN CANYONS, LLC

13 Debtors.

Chapter 11 Proceedings

Case No. 2:10-bk-16711-RTBP
Case No. 2:10-bk-16714-RTBP

Jointly Administered Under
Case No. 2:10-bk-16711-RTBP

15 **MOTION FOR JOINT**
16 **ADMINISTRATION AND**
17 **APPROVAL OF A CONSOLIDATED**
CAPTION

18 Pursuant to Federal Rule of Bankruptcy Procedure 1015 and Local Rule of Bankruptcy
19 Procedure 1015-1, Sedona Development Partners, LLC and The Club At Seven Canyons, LLC,
20 debtors and debtors-in-possession in the above-referenced bankruptcies (collectively the
21 “Debtors”), through counsel undersigned, hereby request that this Court order the joint
22 administration of their Chapter 11 cases, numbered 2:10-bk-16711-RTBP and 2:10-bk-16714-
23 RTBP respectively, and approve the use of the consolidated caption above. The joint
24 administration of these related cases will allow for a more efficient and equitable administration of
25 the Debtors’ estates.

26 This Motion is supported by the attached Memorandum of Points and Authorities.
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28

1 DATED: June 1, 2010.

2 POLSINELLI SHUGHART PC

3
4 By: 

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12
13 **MEMORANDUM OF POINTS AND AUTHORITIES**

14 **I. FACTUAL BACKGROUND**

15 1. On May 27, 2010, Debtors filed their respective voluntary petitions for relief under
16 Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of
17 Arizona.

18 2. The Debtors are authorized to operate their businesses as debtors-in-possession
19 pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

20 3. Debtors are Arizona limited liability companies.

21 4. Sedona Development Partners, LLC owns an 18-hole golf course and related
22 entities, including luxury villas, a practice park, range house, tennis courts and related facilities in
23 Sedona, Arizona, known generally as Seven Canyons (the "Property").

24 5. The Club At Seven Canyons operates the golf course and related facilities for
25 Sedona Development Partners, LLC.

26 6. Sedona Development Partners, LLC is the manager and sole member of The Club At
27 Seven Canyons.

28 7. Nearly all of Sedona Development Partners, LLC's revenue is derived from the golf
course and related facilities operated by The Club At Seven Canyons, LLC.

1 **II. LEGAL ARGUMENT**

2 If related or affiliated debtors have bankruptcy cases pending in the same court, their
3 respective estates may be jointly administered under a consolidated caption. Fed. R. Bankr. P.
4 1015(b).¹ “Joint administration is a creature of procedural convenience. It is justified by the
5 laudable desire to avoid the wasting of resources, which would result through the duplication of
6 effort if cases involving related debtors were to proceed entirely separately.” *In re Steury*, 94 B.R.
7 553, 553 (Bankr. N.D. Ind. 1988).

8 The Debtors’ bankruptcies are the type best-suited for joint administration. The Debtors
9 share common ownership and control, and because of their interests in the Property, their prospects
10 for reorganization are completely intertwined. Due to the Debtors’ inter-relatedness, the vast
11 majority of motions, hearings, and orders in these cases will affect both Debtors and their
12 respective creditors. As such, joint administration of these bankruptcy cases will not result in any
13 prejudice to the Debtors’ creditors or other parties-in-interest. Joint administration of these
14 Debtors’ cases, and the use of a consolidated caption, will avoid unnecessary confusion, reduce the
15 time and cost attendant to reorganization under Chapter 11, and provide creditors whose interests
16 may be affected by both bankruptcies a single forum in which to assert their claims.

17 WHEREFORE, the Debtors respectfully request that the Court enter an Order:

- 18 A. Authorizing the joint administration of the Debtors’ Chapter 11 cases;
19 B. Authorizing the use of the consolidated caption above; and
20 C. Granting such other and further relief as the Court deems just and proper under the
21 circumstances.

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27 ¹A motion requesting joint administration must be accompanied by a request that all
28 affiliated cases be transferred to the judge presiding over the case with the lowest number. Local
Bankruptcy Rule of Procedure 1015(b). In these cases, no such transfer is necessary, as both cases
were assigned to the same judge.

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COPY of the foregoing mailed (or served
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